Fake Currency Racket in Gujarat

2177. SHRI BACHANI LEKHRAJ: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that many fake currency note rackets have been busted in Gujarat;

(b) if so, the details thereof during the last two years;

(c) the action taken by Government against the operators of such rackets; and

(d) the remedial action taken/proposed to be taken by Government to curb such activities in Gujarat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) Yes, Sir.

(b) and (c) During last 2 years *i.e.* 2000 and 2001, 119 cases concerning fake currency were registered in Gujarat. In these cases, 254 accused persons were arrested in Gujarat and chargesheeted.

(d) To curb circulation of fake currency notes in the country including Gujarat, the Government has taken a number of steps which *inter-alia* include setting up special unit in the Central Bureau of Investigation, exclusively for investigation of counterfeit currency notes, shoring up of vigilance by the Border Security Force/Custom Authorities to prevent smuggling of fake currency notes into the country, training and sensitisation of police officers, incorporation of special security features in high denomination notes and dissemination of information on security features through print media and Doordarshan for the benefit of public.

Revenue deficit of States

2178. SHRI R.S. GAVAI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the revenue deficit in States has plunged to Rs. 513 billions during fiscal year, 2001 from a surplus of Rs. 6 billions during fiscal years, 1986;

(b) if so, the details thereof;

(c) whether Government propose to formulate urgent reforms to save the position;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) and (b) According to the Reserve Bank of India Reports on State Finances, the combined revenue deficit of States stood at Rs. 51318 crore (Rs. 513.18 billions) during 2000-01 (RE) *vis-a-vis* a revenue surplus of Rs. 654 crore (Rs. 6.54 billions) during 1985-86. The State-wise details are given in the Statement (*See* below).

(c) and (d) The Financial Management of States is primarily the responsibility of State Governments for which they are responsible to their respective Legislature. The State Governments are expected to take adequate measures to improve their financial condition to arrive at sustainable and healthy fiscal balance. However, in recognition of the need for fiscal consolidation, GoI has advised all the state Governments to draw-up their monitorable fiscal reforms programme aimed at improving their financial position in medium term, in terms of the State's Fiscal Reforms Facility (2000-01 to 2004-05) drafted in pursuance of the recommendations of Eleventh Finance Commission.

(e) Does not arise.

Statement

Revenue Surplus/Deficit of States

(Rs. crore)

States	1985-86	2000-01 (RE)
Andhra Pradesh	-7.3	-3112.9
Arunachal Pradesh	—	-114.3
Assam	-5.6	-757.4
Bihar	297.7	2960.7
Chattisgarh	—	18.9

States	1985-86	2000-01 (RE)
Goa		-207.2
Gujarat	-69.9	-6859.0
Haryana	106.1	-1033.2
Himachal Pradesh	107.8	-848.1
Jammu and Kashmir	6.6	508.1
Karnataka	-84.7	-2175.0
Kerala	-74.2	-3231.8
Madhya Pradesh	70.4	-2205.3
Maharashtra	-316.7	-6224.4
Manipur	70.4	12.6
Meghalaya	48.0	44.4
Mizoram	-1.5	22.6
Nagaland	60.8	-0.4
Orissa	-60.1	-1657.3
Punjab	7.3	-2572.9
Rajasthan	-2.2	-2610.3
Sikkim	14.1	160.7
Tamil Nadu	188.6	-3922.3
Tripura	41.2	-72.4
Uttar Pradesh	174.6	-5818.6
West Bengal	82.9	-7411.1
NCT Delhi		1480.9
All States:	**654.4**	**-51317.6**

Soruce: RBIs Report on State Finances, October, 1987 and January, 2002.

NOTE: **(-) means Deficit**